

**MINUTES OF THE COMMITTEE
ON
APPROPRIATIONS**

Wednesday, August 22, 2007

10:00 a.m.

Room 352, State Capitol

The House Standing Committee on Appropriations was called to order by the Chairman, Representative George Cushingberry, Jr.

An Invocation was offered by Chairman Cushingberry.

Members present: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

Members Absent/excused: None.

Chairman Cushingberry recognized newly appointed member Representative Tobocman for comments regarding observations on legislative travel to Israel. Representative Tobocman expressed the need for American made automobiles, agricultural products and trade development.

Chairman Cushingberry laid before the Committee 4840 and 4841.

HB 4840	Kathleen Law	Health facilities; licensing; fees and assessments for homes for the aged; revise.
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HB 4841	Kathleen Law	Human services; adult foster care; licensing fee for adult foster care facilities; increase.
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The Chairman recognized Mitch Bean, Director of the House Fiscal Agency.
Bob Snieder, Analyst for the House Fiscal Agency gave an overview of the bills.

A testimony card was submitted from the Michigan Assisted Living Association in Livonia opposing the bills not wishing to speak.

After discussion, Chairman Cushingberry announced that the bills would be postponed until further explanation from the Department.

The Chairman proceeded to HB 4847:

HB 4847	Hood	Traffic control; driver license; increased fees for operator and chauffeur licenses added by 1987 PA 232; credit to the general fund for certain fiscal years.
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Chairman Cushingberry recognized Bill Hamilton, House Fiscal Agency Analyst for explanation of the bill.

Chairman Cushingberry passed the bill until further detail of explanation from the Department.

Chairman Cushingberry laid before the Committee HB 4346.

HB 4346 Gillard Appropriations; education; department of education; provide for fiscal year 2007-2008.

The Chairman recognized Mitch Bean, Director of the House Fiscal Agency.

Mitch Bean introduced Mary Ann Cleary and Bethany Wicksal, Education Analysts for the House Fiscal Agency.

Bethany Wicksall provided an overview of the bill.

Representative Gillard moved to adopt Substitute (H-1) draft 3 to HB 4346.
Representative Cheeks supported the motion.

The motion prevailed by a vote of 29-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Representative Smith moved to adopt the following amendment to HB 4346 substitute (H-1)
Draft 3:

1. Amend page 16, following line 25, by inserting:

“Sec. 221. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.
Representative Bauer supported the motion.”

The motion prevailed by a vote 29-0-0.

FAVORABLE ROLL CALL

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss,

and Nofs.
NAYS: None.
PASS: None.

Representative Alma Smith moved to adopt the following amendment to HB 4346 substitute (H-1) Draft 3:

1. Amend page 20, line 19, after “program.” By inserting “By March 1, 2008, the department shall provide to the senate and house appropriations committees and senate and house fiscal agencies with a report including the following:

- (a) how many teachers were certified under the programs.
- (b) how long participating teachers served in the classroom.
- (c) a comparison of teacher evaluations of participating teachers and teachers with traditional teacher certifications.”.

Representative Bauer supported the motion.

The motion prevailed by a vote 27-2-0.

FAVORABLE ROLL CALL

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Moss, and Nofs.

NAYS: Vagnozzi, Agema.

PASS: None.

Rick Floury Budget Director for the Department of Education answered further questions of the members.

Representative Gillard moved to report with recommendation HB 4346 substitute (H-1) Draft 3 as amended, as substitute (H-1).

Representative Cheeks supported the motion.

The motion prevailed by a vote of 17-2-10

FAVORABLE ROLL CALL

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi.

NAYS: Representatives Acciavatti, Brandenburg.

PASS: Representatives Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

Chairman Cushingberry announced the committee would proceed to the transfer package on the agenda.

The Chairman called on House Fiscal Agency staff Margaret Alston to give an overview of the transfers.

Mitch Bean, Director of the House Fiscal Agency introduced analysts for the various transfer package subjects.

Kirk Lindquist House Fiscal Agency Analyst along with Sharon Shafer, Department of Natural Resources and Scott Heather, from the DNR Forestry and Fire Program answered further questions of the members.

Jon Wisneski, House Fiscal Agency Analyst for State Police was also introduced to answer any further questions.

Representative Gillard moved to approve the Transfers for the Departments of Labor and Economic Growth, Natural Resources and State Police.
Representative Acciavatti supported the motion.

The motion prevailed by a vote of 29-0-0.

FAVORABLE ROLL CALL

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Chairman Cushingberry laid before the committee HB 4359.

HB 4359	Gillard	Appropriations; school aid; multisection school aid; provide for fiscal year 2007-2008.
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Chairman Cushingberry gave an overview of the Budget Bills.

Representative Gillard made opening remarks and appreciation to the staff and subcommittee members for their work on the budgets.

Chairman Cushingberry recognized Mitch Bean, Director of the House Fiscal Agency who introduced Mary Ann Cleary, Analyst from the House Fiscal Agency to answer questions of the members.

Representative Gillard moved to adopt substitute (H-1) Draft 2 to HB 4359.
Representative Cheeks supported the motion.

The motion prevailed by a vote of 29-0-0

FAVORABLE ROLL CALL

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Representative McDowell moved to amend HB 4359 substitute (H-1) Draft 2:

1. Amend page 191, line 18, after "(a)" by striking out "**EIGHTY**" and inserting "**NINETY**".
2. Amend page 191, line 20, after "(b)" by striking out "**TWENTY**" and inserting "**TEN**".

Representative Nofs supported the motion.

The motion prevailed by a vote of 24-3-2.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Shaffer, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Acciavatti, Caswell, and Brandenburg.

PASS: Representatives Amos and Booher.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 82, line 16, after "exceed" by striking out "**\$321,450,000.00**" and inserting "\$319,450,000.00".

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi and Nofs.

PASS: None.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 97, line 5, by striking out "\$2,500,000.00" and inserting "\$1,000,000.00".

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-17-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 45, line 25, by striking out "\$7,208.00" and inserting "\$7,260.00".
2. Amend page 46, line 22, after "PLUS" by striking out "\$100.00" and inserting "\$152.00.
3. Amend page 71, line 9, by striking out "\$3,750,000,000.00" and inserting "\$3,820,000,000.00".
4. Amend page 103, line 5, by striking out all of sections 32E and 32F.

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-17-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 159, line 12, by striking out all of section 65A and adjusting section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-17-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 45, line 12, by striking out “\$7,208.00” and inserting “\$7,220.00”.
2. Amend page 46, line 22, after “PLUS” by striking out “\$100.00” and inserting “\$112.00”.
3. Amend page 71, line 9, by striking out “\$3,750,000,000.00” and inserting “\$3,770,000,000.00”.
4. Amend page 162, line 2, by striking out all of section 77.

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-17-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 175, line 24, by striking out all of section 98D.

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-16-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul,

Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Hammel, Hood, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell offered the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 5, line 4, after the second “of” by striking out “.75” and inserting “.80”.
2. Amend page 5, line 7, after “of” by striking out “.25” and inserting “.20”.
3. Amend page 13, line 3, after the first “of” by striking out “.75” and inserting “.80”.
4. Amend page 13, line 7, after “of” by striking out “.25” and inserting “.20”.
5. Amend page 71, line 9, by striking out “\$3,750,000,000.00” and inserting “\$3,747,000,000.00”.

The amendments were withdrawn.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 176, line 26, by striking out “\$3,390,000.00” and inserting “\$3,540,000.00”.
2. Amend page 176, line 26, after “to” by striking out “100%” and inserting “106%”.
3. Amend page 181, line 18, by striking out all of section 99h.

Representative Acciavatti supported the motion.

The motion failed by a vote of 12-18-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, , Gonzales Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: None.

Representative Caswell offered the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 75, line 10, by striking out “\$113,500,000.00” and inserting “\$40,000,000.00”.
2. Amend page 75, line 16, after “than” by striking out “\$7,669.00” and inserting “\$7,358.00”.

3. Amend page 81, line 10, by striking out all of section 29.

The amendments were withdrawn.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 18, line 18, after “building” by inserting “**FOR THE PURPOSES OF THIS SUBSECTION, A TEACHER STRIKE OR OTHER DISRUPTION DUE TO A LABOR DISPUTE IS NOT CONSIDERED TO BE A CONDITION NOT WITHIN THE CONTROL OF SCHOOL AUTHORITIES.**”.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-19-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Hansen, Proos, Agema, Moss and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi and Caul.

PASS: None.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 31, line 7, after “technology” by inserting “an early intervening program described in subsection (8),”.
2. Amend page 33, line 19, by inserting: “(8) An early intervening program that uses funds received under this section shall meet wither or both of the following:
 - (a) Shall monitor individual pupil learning for pupils in grades K to 3 and provide specific support or learning strategies to pupils in grades K to 3 as early as possible in order to reduce the need for special education placement. The program shall include literacy and numeracy supports, sensory motor skill development, behavior supports, instructional consultation for teachers, and the development of a parent/school learning plan. Specific support or learning strategies may include support in or out of the general classroom in areas including reading, writing, math, visual memory, motor skill development, behavior, or language development. These would be provided based on an understanding of the individual child’s learning needs.
 - (b) Shall provide early intervening strategies for pupils in grades K to 3 using school-wide systems of academic and behavioral supports and shall be scientifically research-based. The strategies to be provided shall include at least pupil performance indicators based upon response to intervention, instructional consultation for teachers, and ongoing progress

monitoring. A schools-wide system of academic and behavioral support should be based on a support team available to the classroom teachers. The members of this team could include the principal, special education staff, reading teachers, and other appropriate personnel who would be available to systematically study the needs of the individual child and work with the teacher to match instruction to the needs of the individual child.”.

Representative Acciavatti supported the motion.

The motion prevailed by a vote of 26-0-4.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Hammel, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi, Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

NAYS: None.

PASS: Representatives Espinoza, Gonzales, Hood, and Jackson.

The committee stood in recess at 1:00 p.m.

The Committee was reconvened by Chairman Cushingberry at 2:30 p.m.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 81, line 10, by striking out all of section 29 and adjusting the totals in section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 5-18-7.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Brandenburg, Amos, and Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representatives Shaffer, Booher, Caul, Hansen, Proos, Agema, and Nofs

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 82, line 16, after “exceed” by striking out “\$321,450,000.00” and inserting “\$321,350,000.00”.
2. Amend page 93, line 1, by striking out all of subsection (17), renumbering the remaining subsections, and adjusting section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 9-18-3.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Agema, and Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representatives Brandenburg, Proos, and Nofs.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 19, line 21, by striking out “**\$2,500,000.00**” and inserting “\$1,750,000.00” and adjusting the totals in section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 9-20-1.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Amos, Booher, Caul, Hansen, Proos, Agema, Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi, Shaffer and Nofs.

PASS: Representative Brandenburg.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 101, line 3, after “readiness” by inserting “or preschool and parenting program”.
2. Amend page 101, line 13, by striking out “**IMPROVE**” and inserting “do 1 or both of the following:
(a) Improve”.
3. Amend page 101, following line 20, by inserting: “(b) Provide preschool and parenting education programs similar to those under former section 32b as in effect for 2001-2002.”.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-1.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representative Brandenburg.

Representative Caswell offered the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 99, line 23, after “Promoting” by striking out “**FAMILIES**” and inserting “marriage”.

The amendment was withdrawn.

Representative Caswell moved to adopt the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 116, line 27, after “exceed” by striking out “**\$13,050,000.00**” and inserting “\$12,250,000.00” and adjusting the totals in section 11 and enacting section 1 accordingly.
2. Amend page 121, line 22, by striking out “**\$3,500.00**” and inserting “\$3,300.00”.
3. Amend page 129, line 3, after “by” by striking out “**\$3,500.00**” and inserting “\$3,300.00”.

Representative Acciavatti supported the motion.

The motion failed by a vote of 10-18-2.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representatives Brandenburg and Nofs..

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 157, line 10, after “exceed” by striking out “**\$4,000,000.00**” and inserting “\$2,000,000.00” and adjusting the totals in section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 10-18-2.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representatives Brandenburg and Nofs.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 158, line 15, by striking out all of section 65 and adjusting the totals in section 11 and enacting section 1 accordingly.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-18-1.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

PASS: Representative Brandenburg.

Representative Caswell offered the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 96, line 7, by striking out all of section 31G and adjusting the totals in section 11 and enacting section 1 accordingly.

The amendment was withdrawn.

Representative Caswell moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 96, line 21, by striking out all of section 32.

Representative Acciavatti supported the motion.

The motion failed by a vote of 11-19-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, and Moss.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza,

Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi and Brandenburg.

PASS: None.

Representative Caswell offered the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 191, line 18, after "(a)" by striking out "**EIGHTY**" and inserting "**NINETY**".
2. Amend page 191, line 20, after "(B)" by striking out "**TWENTY**" and inserting "**TEN**".

The amendments were withdrawn.

Representative Jackson offered the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 96, following line 20, by inserting: **"(4) A DISTRICT RECEIVING A GRANT UNDER THIS SECTION SHALL SUBMIT TO THE DEPARTMENT, THE SENATE AND HOUSE FISCAL AGENCIES, AND THE SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES HAVING RESPONSIBILITY FOR THIS ACT. AN EVALUATION REPORT, IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT, THAT EVALUATES THE EFFECTIVENESS OF THE PROGRAM."**

Representative Cheeks supported the motion.

The motion prevailed by a vote of 29-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Caswell, Shaffer, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: Representative Brandenburg.

Representative Amos moved to adopt the following amendment to HB 4359 substitute (H-1) Draft 2:

1. Amend page 193, following line 16, by inserting:

"Sec. 105c. (1) In order to avoid a penalty under this section, and in order to count a nonresident pupil residing in a district located in a contiguous intermediate district in membership without the approval of the pupil's district of residence, a district shall comply with this section.

(2) Except as otherwise provided in this section, a district shall determine whether or not it will accept applications for enrollment by nonresident applicants residing in a district located in a contiguous intermediate district for the next school year. If the district determines to accept applications for enrollment of a number of nonresidents under this section, beyond those entitled to preference under this section, the district shall use the following procedures for accepting applications from and enrolling nonresidents under this section:

(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident

applicants residing in a district located in a contiguous intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing in a district located in a contiguous intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents under this section in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a 15-day period from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program. The notice shall identify the 15-day period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment in that grade, school, or program.

(C) Within 15 days after the end of the application period under sub-subparagraph (A), using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll under this section in that grade, school, or program, using the random draw system required under subsection (14) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment under this section shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (14), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district may not fill those positions until the second semester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing in a district located in a contiguous intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program under this section:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing in a district located in a contiguous intermediate district in that grade, school, or program, until the end of the first week of school. The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice shall include the dates of the application period. The application period shall be at least a 15-day period.

(ii) Not later than the end of the first week of school, the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment under this section that the applicant has been accepted for enrollment in the grade, school, or program and of the date by which the applicant must enroll in the district and the procedures for enrollment.

(3) If a district determines during the first semester of a school year that it has positions available for enrollment of a number of nonresidents residing in a district located in a contiguous intermediate district, beyond those entitled to preference under this section, for the second semester of the school year, the district may accept applications from and enroll nonresidents residing in a district located in a contiguous intermediate district for the second semester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester may be available to, and for which applications will be accepted from, nonresident applicants residing in a district located in a contiguous intermediate district.

(b) During the last 2 weeks of the first semester, the district shall accept applications from nonresidents residing in a district located in a contiguous intermediate district for enrollment for the second semester in the available grades, schools, and programs.

(c) By the beginning of the second semester, using the procedures and preferences required under this section, the district shall determine which nonresident applicants will be

allowed to enroll under this section in the district for the second semester and notify the parent or legal guardian of each nonresident applicant residing in a district located in a contiguous intermediate district of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment shall contain notification of the date by which the applicant must enroll in the district and procedures for enrollment.

(4) If deadlines similar to those described in subsection (2) or (3) have been established in an intermediate district, and if those deadlines are not later than the deadlines under subsection (2) or (3), the districts within the intermediate district may use those deadlines.

(5) A district offering to enroll nonresident applicants residing in a district located in a contiguous intermediate district may limit the number of those nonresident pupils it accepts in a grade, school, or program, at its discretion, and may use that limit as the reason for refusal to enroll an applicant under this section.

(6) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment based on intellectual, academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based on a mental or physical disability, except that a district may refuse to admit a nonresident applicant under this section if the applicant does not meet the same criteria, other than residence, that an applicant who is a resident of the district must meet to be accepted for enrollment in a grade or a specialized, magnet, or intra-district choice school or program to which the applicant applies.

(7) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment under this section based on age, except that a district may refuse to admit a nonresident applicant applying for a program that is not appropriate for the age of the applicant.

(8) A nonresident applicant residing in a district located in a contiguous intermediate district shall not be granted or refused enrollment under this section based upon religion, race, color, national origin, sex, height, weight, marital status, or athletic ability, or, generally, in violation of any state or federal law prohibiting discrimination.

(9) Subject to subsection (10), a district may refuse to enroll a nonresident applicant under this section if any of the following are met:

(a) The applicant is, or has been within the preceding 2 years, suspended from another school.

(b) The applicant, at any time before enrolling under this section, has been expelled from another school.

(c) The applicant, at any time before enrolling under this section, has been convicted of a felony.

(10) If a district has counted a pupil in membership on either the pupil membership count day or the supplemental count day, the district shall not refuse to enroll or refuse to continue to enroll that pupil for a reason specified in subsection (9). This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(11) A district shall continue to allow a pupil who was enrolled in and attended the district under this section in the school year or semester immediately preceding the school year or semester in question to enroll in the district until the pupil graduates from high school. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(12) A district shall give preference for enrollment under this section over all other nonresident applicants residing in a district located in a contiguous intermediate district to other school-age children who reside in the same household as a pupil described in subsection (11).

(13) If a nonresident pupil was enrolled in and attending school in a district as a nonresident pupil in the 1995-96 school year and continues to be enrolled continuously each school year in that district, the district shall allow that nonresident pupil to continue to enroll in and attend school in the district until high school graduation, without requiring the nonresident pupil to apply for enrollment under this section. This subsection does not prohibit a district from expelling a pupil described in this subsection for disciplinary reasons.

(14) If the number of qualified nonresident applicants eligible for acceptance under this section in a school, grade, or program does not exceed the positions available for nonresident pupils under this section in the school, grade, or program, the school district shall accept for enrollment all of the qualified nonresident applicants eligible for acceptance. If the number of

qualified nonresident applicants residing in a district located in a contiguous intermediate district eligible for acceptance under this section exceeds the positions available in a grade, school, or program in a district for nonresident pupils, the district shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders and subject to preferences allowed by this section. The district shall develop and maintain a waiting list based on the order in which nonresident applicants were drawn under this random draw system.

(15) If a district, or the nonresident applicant, requests the district in which a nonresident applicant resides to supply information needed by the district for evaluating the applicant's application for enrollment or for enrolling the applicant under this section, the district of residence shall provide that information on a timely basis.

(16) If a district is subject to a court-ordered desegregation plan, and if the court issues an order prohibiting pupils residing in that district from enrolling in another district or prohibiting pupils residing in another district from enrolling in that district, this section is subject to the court order.

(17) This section does not require a district to provide transportation for a nonresident pupil enrolled in the district under this section or for a resident pupil enrolled in another district under this section. However, at the time a nonresident pupil enrolls in the district, a district shall provide to the pupil's parent or legal guardian information on available transportation to and from the school in which the pupil enrolls.

(18) A district may participate in a cooperative education program with 1 or more other districts or intermediate districts whether or not the district enrolls any nonresidents pursuant to this section.

~~(19) In order for a district or intermediate district to enroll pursuant to this section a nonresident pupil who resides in a district located in a contiguous intermediate district and who is eligible for special education programs and services according to statute or rule, or who is a child with disabilities, as defined under the individuals with disabilities education act, Public Law 108-446, the enrolling district shall have a written agreement with the resident district of the pupil for the purpose of providing the pupil with a free appropriate public education. The written agreement shall include, but is not limited to, an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil.~~

~~(19) (20)~~ If a district does not comply with this section, the district forfeits 5% of the total state school aid allocation to the district under this act.

~~(20) (21)~~ Upon application by a district, the superintendent may grant a waiver for the district from a specific requirement under this section for not more than 1 year.

~~(21) (22)~~ This section is repealed if the final decision of a court of competent jurisdiction holds that any portion of this section is unconstitutional, ineffective, invalid, or in violation of federal law.

~~(22) (23)~~ As used in this section, "district located in a contiguous intermediate district" means a district located in an intermediate district that is contiguous to the intermediate district in which a pupil's district of residence is located."

Representative Acciavatti supported the motion.

The motion failed by a vote of 8-15-7.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Acciavatti, Caswell, Shaffer, Amos, Booher, Proos, Agema, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Lahti, LeBlanc, McDowell, Alma Smith, and Vagnozzi.

PASS: Representatives Jackson, Spade, Tobocman, Brandenburg, Caul, Hansen and Moss.

Representative Gillard offered the following amendments to HB 4359 substitute (H-1) Draft 2:

1. Amend page 71, line 9, by striking out "\$3,750,000,000.00" and inserting

"\$3,751,800,000.00".

2. Amend page 75, following line 7, by inserting:

"(11) FROM THE ALLOCATION IN SUBSECTION (1), THERE IS ALLOCATED FOR 2007-2008 ONLY AN AMOUNT NOT TO EXCEED \$1,800,000.00 FOR A SUPPLEMENTAL PAYMENT TO A DISTRICT THAT ELECTS BY BOARD RESOLUTION UNDER SECTION 1211(2) OF THE REVISED SCHOOL CODE, MCL 380.1211, TO EXEMPT A PRINCIPAL RESIDENCE AND QUALIFIED AGRICULTURAL PROPERTY FROM SOME OR ALL OF THE MILLS LEVIED UNDER THAT SUBSECTION. THIS SUPPLEMENTAL PAYMENT IS TO REIMBURSE THE DISTRICT FOR THAT EXEMPTION IN AN AMOUNT EQUAL TO THE AMOUNT OF THE PROPERTY TAX REVENUE THE DISTRICT WOULD HAVE RECEIVED IN THE TAX YEAR ENDING IN THE FISCAL YEAR IF THE BOARD OF THE DISTRICT HAD NOT ADOPTED THE BOARD RESOLUTION."

Representative Cheeks supported the motion.

The motion prevailed by a vote of 19-3-8.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi and Nofs.

NAYS: Representatives Caswell, Brandenburg, and Agema.

PASS: Representatives Acciavatti, Shaffer, Amos, Booher, Caul, Hansen, Proos, and Moss.

Representative Gillard moved to report with recommendation HB 4359 substitute (H-1) Draft 2 as amended, as substitute (H-1).

The motion prevailed by a vote of 18-3-9.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi.

NAYS: Representatives Caswell, Brandenburg, and Agema.

PASS: Representatives Acciavatti, Shaffer, Amos, Booher, Caul, Hansen, Proos, Moss and Nofs.

Chairman Cushingberry laid before the Committee HB 4360

HB 4360	Sak	Appropriations; community colleges; community and junior colleges; provide for fiscal year 2007-2008.
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The Chairman recognized the House Fiscal Analyst, Viola Wild, for overview of the bill and to answer questions of the members.

Representative Bauer moved to adopt Substitute (H-1) Draft 4 to HB 4360.

Representative Byrnes supported the motion.

The motion prevailed by a vote of 21-1-8.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Proos, and Nofs.

NAYS: Representative Caswell.

PASS: Representatives Shaffer, Brandenburg Amos, Booher, Caul, Hansen, Agema, and Moss.

Representative Bauer moved to report with recommendation HB 4360 substitute (H-1) Draft 4 as substitute (H-1).

Representative Byrnes supported the motion.

The motion prevailed by a vote of 18-5-7.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, and Vagnozzi. NAYS: Representative Acciavatti, Caswell, Amos, Agema, and Moss.

PASS: Representatives Shaffer, Brandenburg, Booher, Caul, Hansen, Proos, and Nofs.

Chairman Cushingberry laid before the Committee HB 4350.

HB 4350 Byrnes Appropriations; higher education; higher education; provide for fiscal year 2007-2008.

Kyle Jen, House Fiscal Analyst gave an overview and answered questions.

Representative Byrnes moved to adopt Substitute (H-4) Draft 3 to HB 4350:

Representative Cheeks supported the motion.

The motion prevailed by a vote of 30-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Representative Bauer moved to adopt the following amendments to HB 4350 substitute (H-4) Draft 3.

1. Amend page 2, line 19, by striking out all of sections 102 to 113, and inserting:

" Sec. 102. CENTRAL MICHIGAN UNIVERSITY

Operations	\$	<u>86,455,500</u>
GROSS APPROPRIATION	\$	86,455,500

Appropriated from:

State general fund/general purpose.....	\$	86,455,500
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Sec. 103. EASTERN MICHIGAN UNIVERSITY

Operations	\$	<u>81,782,300</u>
GROSS APPROPRIATION	\$	81,782,300

Appropriated from:

State general fund/general purpose.....	\$	81,782,300
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Sec. 104. FERRIS STATE UNIVERSITY

Operations	\$	<u>52,738,900</u>
GROSS APPROPRIATION	\$	52,738,900

Appropriated from:

State general fund/general purpose.....	\$	52,738,900
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Sec. 105. GRAND VALLEY STATE UNIVERSITY

Operations	\$	<u>68,126,000</u>
GROSS APPROPRIATION	\$	68,126,000

Appropriated from:

State general fund/general purpose.....	\$	68,126,000
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Sec. 106. LAKE SUPERIOR STATE UNIVERSITY

Operations	\$	<u>14,359,000</u>
GROSS APPROPRIATION	\$	14,359,000

Appropriated from:

State general fund/general purpose.....	\$	14,359,000
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Sec. 107. MICHIGAN TECHNOLOGICAL UNIVERSITY

Operations	\$	<u>52,449,800</u>
GROSS APPROPRIATION	\$	52,449,800

Appropriated from:

State general fund/general purpose.....	\$	52,449,800
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Sec. 108. NORTHERN MICHIGAN UNIVERSITY

Operations	\$	<u>48,767,900</u>
GROSS APPROPRIATION	\$	48,767,900

Appropriated from:		
State general fund/general purpose.....	\$	48,767,900

Sec. 109. OAKLAND UNIVERSITY

Operations.....	\$	<u>55,116,800</u>
GROSS APPROPRIATION	\$	55,116,800

Appropriated from:		
State general fund/general purpose.....	\$	55,116,800

Sec. 110. SAGINAW VALLEY STATE UNIVERSITY

Operations.....	\$	<u>30,491,000</u>
GROSS APPROPRIATION	\$	30,491,000

Appropriated from:		
State general fund/general purpose.....	\$	30,491,000

Sec. 111. UNIVERSITY OF MICHIGAN - DEARBORN

Operations.....	\$	<u>27,312,300</u>
GROSS APPROPRIATION	\$	27,312,300

Appropriated from:		
State general fund/general purpose.....	\$	27,312,300

Sec. 112. UNIVERSITY OF MICHIGAN - FLINT

Operations.....	\$	<u>23,081,800</u>
GROSS APPROPRIATION	\$	23,081,800

Appropriated from:		
State general fund/general purpose.....	\$	23,081,800

Sec. 113. WESTERN MICHIGAN UNIVERSITY

Operations.....	\$	<u>118,164,700</u>
GROSS APPROPRIATION	\$	118,164,700

Appropriated from:		
State general fund/general purpose.....	\$	118,164,700"

and adjusting the subtotals, totals, and section 201 accordingly.

2. Amend page 19, line 11, following "436." by inserting "(1)".

3. Amend page 19, following line 24, by inserting:

"(2) It is the intent of the Legislature that, from the increase in university operations appropriations from fiscal year 2006-07 to fiscal year 2007-08, each state university utilize a portion of the increase to providing savings to students through rebates, reductions in tuition and fee charges, or financial aid awards. Each state university shall report on the amount and method of student savings under this subsection to the house and senate appropriations committees, house and senate fiscal agencies, and state budget director by December 1, 2007."

4. Amend page 20, following line 14, by inserting the following:

" Sec. 463. (1) From the funds appropriated to state universities in part 1, the amounts below shall be expended for efforts to commercialize technology developed through university research:

Central Michigan University	\$148,000
Eastern Michigan University	199,300
Grand Valley State University	25,600
Michigan Technological University	947,400
Oakland University	268,400
University of Michigan – Dearborn	139,900
University of Michigan – Flint	40,800
Western Michigan University	574,700

(2) Each university receiving funds designated under subsection (1) shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by May 1, 2007, regarding efforts and expenditures under subsection (1).

(3) It is the intent of the legislature that, in future budget years, a portion of state university appropriation amounts will be based on uniform statewide data on research commercialization efforts and outcomes, rather than federal research funding data."

Representative Byrnes supported the motion.

The motion prevailed by a vote of 18-8-4

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi.

NAYS: Representative Acciavatti, Caswell, Shaffer, Booher, Hansen, Proos, Agema, and Moss.

PASS: Representative Brandenburg, Amos, Caul, and Nofs.

Representative Caul moved to adopt the following amendments to HB 4350 substitute (H-4) Draft 3.

1. Amend page 1, line 4, after "for" by striking out "certain".

2. Amend page 3, following line 16, by inserting:

" **Sec. 107. MICHIGAN STATE UNIVERSITY**

Operations	\$	299,988,100
Agricultural experiment station		34,672,800
Cooperative extension service		<u>29,176,400</u>
GROSS APPROPRIATION	\$	363,837,300

Appropriated from:

State general fund/general purpose..... \$ 363,837,300",

renumbering the remaining subsections, and adjusting the subtotals, totals, and section 201 accordingly.

3. Amend page 4, following line 9, by inserting:

" **Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR**

Operations..... \$ 334,301,400

GROSS APPROPRIATION \$ 334,301,400

Appropriated from:

State general fund/general purpose..... \$ 334,301,400",

renumbering the remaining subsections, and adjusting the subtotals, totals, and section 201 accordingly.

4. Amend page 4, following line 19, by inserting:

" **Sec. 115. WAYNE STATE UNIVERSITY**

Operations..... \$ 225,778,300

GROSS APPROPRIATION \$ 225,778,300

Appropriated from:

State general fund/general purpose..... \$ 225,778,300",

renumbering the remaining subsections, and adjusting the subtotals, totals, and section 201 accordingly.

5. Amend page 4, line 26, by striking out "56,825,200", inserting "138,736,000", and adjusting the subtotals, totals, and section 201 accordingly.

6. Amend page 7, line 24, by striking out all of section 212 and inserting:

" Sec. 212. (1) The funds appropriated in part 1 to state institutions of higher education, except for the 1-time supplemental payment described in subsection (2), shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2007. Except for Wayne State University, each institution shall accrue its July and August 2008 payments to its institutional fiscal year ending June 30, 2008.

(2) The funds appropriated in part 1 to state institutions of higher education for the 1-time supplemental payment shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions on October 16, 2007. The payment made to each institution shall be equal to the sum of the delayed payment reduction contained in Executive Order 2007-3 and the payment delay reduction contained in section 112 of 2007 PA 17. Except for Wayne State University, each state institution of higher education shall accrue this payment to its institutional fiscal year ending June 30, 2007. Wayne State University shall accrue this payment to its institutional fiscal year ending September 30, 2007.

(3) All universities shall submit higher education institutional data inventory (HEIDI) data and

associated financial and program information requested by and in a manner prescribed by the state budget director. For universities with fiscal years ending June 30, 2007, these data shall be submitted to the state budget director by October 15, 2007. Universities with a fiscal year ending September 30, 2007 shall submit preliminary HEIDI data by November 15, 2007 and final data by December 15, 2007. If a university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer shall withhold the monthly installments under subsection (1) to the university until those data are submitted.

(4) A detailed description of procedures utilized to arrive at the amounts appropriated in part 1 shall be submitted to each institution by the senate and house fiscal agencies."

7. Amend page 18, following line 17, by inserting:

" Sec. 402. The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake."

8. Amend page 19, following line 10, by inserting:

" Sec. 433. (1) Included in part 1 is \$2,953,400.00 for the agricultural experiment station and \$2,619,000.00 for the cooperative extension service for project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for generating research and extension to meet environmental and economic needs.

(2) The department of agriculture and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop project GREEN and its program priorities.

(3) Not later than September 30, 2008, a report shall be submitted by Michigan State University to the state budget director, the house and senate appropriations subcommittees on agriculture and on higher education, and the house and senate fiscal agencies for the preceding fiscal year regarding project GREEN projects. The report shall include, but is not limited to, the dollar amount of each project and a review of each project's performance and accomplishments."

9. Amend page 27, line 14, by striking out all of section 701a and inserting:

" Sec. 701a. (1) Pursuant to section 701(2)(e), state institutions of higher education may establish the following degree programs:

(a) Bachelor's degree programs:

Central Michigan University, Integrated Science, B.S. in Ed.

Central Michigan University, Law and Economics, B.A., B.S., B.S. in B.A.

Central Michigan University, Meteorology, B.S.

Eastern Michigan University, Cross Disciplinary Studies, B.A./B.S.
Eastern Michigan University, Information Assurance, B.A./B.S.
Eastern Michigan University, Supply Chain Management, B.B.A.
Grand Valley State University, Chinese Studies Major, B.A.
Lake Superior State University, Physical Science: Teaching, B.S.
Lake Superior State University, School of Education, B. Ed.
Michigan State University, Residential College in the Arts and Humanities, B.A.
University of Michigan - Flint, Biochemistry, B.S.
University of Michigan - Flint, Theatre Design and Technology, B.S.
University of Michigan - Flint, Visual Communication, B.F.A.
Wayne State University, Radiologic Technology, B.S.

(b) Master's degree programs:

Eastern Michigan University, Integrated Marketing Communications, M.S.
Oakland University, Safety Management, M.S.
University of Michigan - Ann Arbor, Clinical Research, M.S.
University of Michigan - Ann Arbor, Supply Chain Management, Masters
University of Michigan - Dearborn, Master of Science in Management Information Systems, M.S.
University of Michigan - Flint, English, M.A.
Wayne State University, Joint-Library and Information Science and History, M.A.

(c) Doctoral degree programs:

Michigan State University, Quantitative Biology Dual Major, Ph.D.
Michigan Technological University, Atmospheric Sciences, Ph.D.
Oakland University, Doctor of Nursing Practice, D.N.P.
Oakland University, Music Education, Ph.D.
Wayne State University, Business Administration, Ph.D.
Wayne State University, Joint Pharm.D/Ph.D., Pharm.D, Ph.D.

(2) The listing of degree programs in subsection (1) does not constitute legislative intent to provide additional dollars for those programs.

(3) When submitting the listing of new degree programs for future fiscal years, the presidents council shall also provide a listing of degree programs that state institutions of higher education will no longer offer in subsequent academic years."

10. Amend page 29, following line 23, by inserting:

"Sec. 712. By February 1, 2008, each of Michigan's state universities receiving appropriations in part 1 shall submit to the house and senate appropriations subcommittees on higher education, the state budget director, and the house and senate fiscal agencies a report on the following:

(a) The number of students who graduated from the university in academic year 2005-2006 and academic year 2006-2007 with an advanced degree in mathematics, science, health care, or engineering, and the number of those graduates that remained in Michigan to work.

(b) The projected numbers of graduates in each of the above-listed categories for the next five calendar years and plans or programs, if any, to increase the numbers of graduates in these categories.

(c) The status of the university's state and regional economic development activities and the monetary value of these activities on the economy of Michigan. The report shall include efforts undertaken to assist the state and its communities with the development of programs and infrastructure necessary to expand businesses and jobs, including those in manufacturing, tourism, agriculture, and health care.

(d) Partnerships with other Michigan universities, community colleges, or other entities regarding new technology development including but not limited to life sciences, alternative energy, and advanced manufacturing and increasing college graduates in science, technology, engineering, and mathematics disciplines.

(e) Efforts to increase foreign investment and international trade; efforts to encourage international students to develop, locate, or partner with Michigan-based businesses upon graduation; and efforts to identify economic development leads or prospects in national or international markets for Michigan business for referral to state, regional, or local economic development officials.

(f) The impact of research and technology development undertaken by the university, including, but not limited to, all of the following:

(i) The amount of private, state, and federal research funding received by the university.

(ii) The total amount of research spending by the university.

(iii) The number of new invention disclosures filed by university faculty, researchers, and graduate students.

(iv) The number of start-up companies formed based on university-generated inventions and the number of those companies headquartered in Michigan.

(v) The number of new licensing agreements with corporate partners and the amount of university revenue generated from licensing new technologies.

(vi) The number of patent applications filed by the university and the number of patents granted to the university.

(vii) The number of jobs created or retained in Michigan attributed to university-generated research and technology transfer.

Sec. 713. (1) In light of the state's current economic conditions, it is the intent of the legislature that, to the extent possible, state universities consolidate programs, services, and resources among themselves in order to realize economic efficiencies.

(2) By March 1, 2008, each state university shall submit a report on its efforts under subsection (1) to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director.

Sec. 714. Not later than February 1, 2008, each of the state universities receiving appropriations in part 1 shall submit to the state budget director, members of the house of representatives and the senate, and the house and senate fiscal agencies a report on the number of residents from an eligible county enrolled at the university and the quantifiable increase from the 2006-2007

academic year to the 2007-2008 academic year in outreach efforts to enroll students at the university from an eligible county. As used in this section, "eligible county" means a county in this state that meets both of the following:

- (a) Has a population of not less than 700,000 and not more than 1,000,000 according to the most recent federal decennial census.
- (b) Does not contain the main campus of a 4-year public university within its boundaries."

Representative Alma Smith supported the motion.

The motion failed by a vote 10-19-1.

UNFAVORABLE ROLL CALL:

YEAS: Representatives LeBlanc, Alma Smith, Spade, Shaffer, Amos, Caul, Hansen, Proos, Agema, and Nofs.

NAYS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, McDowell, Tobocman, Vagnozzi, Acciavatti, Caswell, Brandenburg and Moss.

PASS: Representative Booher.

Representative Brandenburg moved to adopt the following amendment to HB 4350 substitute (H-4) Draft 3.

1. Amend page 7, following line 23, after by inserting :

“SEC. 210. THE FUNDS APPROPRIATED IN PART 1 TO STATE INSTITUTIONS OF HIGHER EDUCATION SHALL NOT BE USED TO ENTER INTO A LEASE OR TO PURCHASE A VEHICLE PRODUCED BY A FOREIGN AUTO MANUFACTURER.”.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Spade, Tobocman, Vagnozzi, Brandenburg, Amos, and Agema.

NAYS: Representatives Alma Smith, Caul, and Nofs.

PASS: Representatives Acciavatti, Caswell, Shaffer, Booher, Hansen, Proos, and Moss.

Chairman Cushingberry offered to amend the bill as follows:

1. Amend page 19, line 3, following "426.", by inserting "(1)".

2. Amend page 19, following line 10, by inserting:

"(2) It is the intent of the legislature that each state university that provides for the use of funds in a university-administered account or financial aid for the purchase of required textbooks and supplies at bookstores operated by or affiliated with the university also provide for the use of funds in a university-administered account or financial aid at bookstores providing required textbooks or supplies that are not operated by or affiliated with the university. A state university may require bookstores not operated by or affiliated with the university to reimburse the

university for any reasonable costs attributable to these transactions and to pay a reasonable rate or commission to the university.".

Representative Cheeks moved to adopt the amendments offered by Chairman Cushingberry. Representative Gillard supported the motion.

The motion prevailed by a vote 29-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, and Moss.

NAYS: None.

PASS: Representative Nofs.

Representative Byrnes moved to report with recommendation HB 4350 substitute (H-4) Draft 3 as amended, as substitute (H-1).

Representative Bauer supported the motion.

The motion prevailed by a vote 18-6-6.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Spade, Tobocman, Vagnozzi and Brandenburg.

NAYS: Representative Acciavatti, Caswell, Amos, Booher, Agema, and Moss.

PASS: Representative Alma Smith, Shaffer, Caul, Hansen, Proos, and Nofs.

Chairman Cushingberry laid before the committee HB 4351.

HB 4351 Byrnes Appropriations; higher education; higher education; provide for fiscal year 2007-2008.

Representative Byrnes moved to adopt Substitute (H-4) Draft 3 to HB 4351:

Representative Cheeks supported the motion.

The motion prevailed by a vote of 30-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Representative Jackson moved to adopt the following amendments to HB 4351 substitute (H-4) Draft 3.

1. Amend page 2, line 18, by striking out all of sections 102 to 104, and inserting:

" **Sec. 102. MICHIGAN STATE UNIVERSITY**

Operations.....	\$	306,198,900
Agricultural experiment station		34,672,800
Cooperative extension service		29,176,400
GROSS APPROPRIATION	\$	370,048,100

Appropriated from:

State general fund/general purpose.....	\$	370,048,100
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Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR

Operations.....	\$	343,163,200
GROSS APPROPRIATION	\$	343,163,200

Appropriated from:

State general fund/general purpose.....	\$	343,163,200
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Sec. 104. WAYNE STATE UNIVERSITY

Operations.....	\$	231,656,100
GROSS APPROPRIATION	\$	231,656,100

Appropriated from:

State general fund/general purpose.....	\$	231,656,100"
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and adjusting the subtotals, totals, and section 201 accordingly.

2. Amend page 3, following line 12, by inserting:

" **Sec. 106. UNIVERSITY RESEARCH CORRIDOR**

University research corridor	\$	500,000
GROSS APPROPRIATION	\$	500,000

Appropriated from:

State general fund/general purpose.....	\$	500,000"
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and adjusting the subtotals, totals, and section 201 accordingly.

3. Amend page 6, following line 13, by inserting:

"Sec. 209. (1) The funds appropriated in part 1 for the university research corridor shall be paid only to a legal entity to be jointly formed by Michigan State University, the University of Michigan - Ann Arbor, and Wayne State University. The purposes of the university research corridor shall include, but not be limited to, the following:

(a) Encourage collaborative research efforts between the three universities leading to economic development within this state.

(b) Establish research partnerships with businesses in this state.

(c) Publicize the research assets and efforts of the three universities to businesses and researchers in other states.

(2) No later than September 15, 2008, the university research corridor shall submit to the house and senate appropriations subcommittee on higher education, the house and senate fiscal agencies, and the state budget director a report on its efforts under subsection (1) and a detailed accounting of the expenditures from the appropriation in part 1."

4. Amend page 7, line 8, following "302.", by inserting "(1)".

5. Amend page 7, following line 21, by inserting:

"(2) It is the intent of the Legislature that, from the increase in university operations appropriations from fiscal year 2006-07 to fiscal year 2007-08, each state university utilize a portion of the increase to providing savings **to** students through rebates, reductions in tuition and fee charges, or financial aid awards. Each state university shall report on the amount and method of student savings under this subsection to the house and senate appropriations committees, house and senate fiscal agencies, and state budget director by December 1, 2007."

6. Amend page 10, following line 21, by inserting the following:

" Sec. 310. (1) From the funds appropriated to state universities in part 1, the amounts below shall be expended for efforts to commercialize technology developed through university research:

Michigan State University	\$990,000
University of Michigan – Ann Arbor	3,484,700
Wayne State University	762,900

(2) Each university receiving funds designated under subsection (1) shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by May 1, 2007, regarding efforts and expenditures under subsection (1).

(3) It is the intent of the legislature that, in future budget years, a portion of state university appropriation amounts will be based on uniform statewide data on research commercialization efforts and outcomes, rather than federal research funding data."

Representative Cheeks supported the motion.

The motion prevailed by a vote of 19-9-2.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman, Vagnozzi, and Brandenburg..

NAYS Acciavatti, Caswell, Shaffer, Amos, Booher, Hansen, Proos, Agema, and Moss.

PASS: Representatives Caul and Nofs.

Representative Brandenburg moved to adopt the following amendment to HB 4351 substitute

(H-4) Draft 3.

1. Amend page 6, following line 12, after by inserting:

“SEC. 209. THE FUNDS APPROPRIATED IN PART 1 TO STATE INSTITUTIONS OF HIGHER EDUCATION SHALL NOT BE USED TO ENTER INTO A LEASE OR TO PURCHASE A VEHICLE PRODUCED BY A FOREIGN AUTO MANUFACTURER.”.

Representative Brandenburg moved to adopt the following amendment to HB 4351 substitute (H-4) Draft 3.

Representative Hammel supported the motion.

The motion prevailed by a vote 19-2-9.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Spade, Tobocman, Vagnozzi, and Brandenburg.

NAYS: Representatives Smith and Nofs..

PASS: Representatives Acciavatti, Caswell, Shaffer, Booher, Caul, Hansen, Proos, Agema, and Moss.

Representative Cushingberry offered the following amendments to HB 4351 substitute (H-4) Draft 3.

1. Amend page 10, line 8, following "308.", by inserting "(1)".

2. Amend page 10, following line 15, by inserting:

"(2) It is the intent of the legislature that each state university that provides for the use of funds in a university-administered account or financial aid for the purchase of required textbooks and supplies at bookstores operated by or affiliated with the university also provide for the use of funds in a university-administered account or financial aid at bookstores providing required textbooks or supplies that are not operated by or affiliated with the university. A state university may require bookstores not operated by or affiliated with the university to reimburse the university for any reasonable costs attributable to these transactions and to pay a reasonable rate or commission to the university."

Representative Cheeks moved to adopt the amendments offered by Chairman Cushingberry.

Representative Gillard supported the motion.

The motion prevailed by a vote of 30-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Spade, Tobocman,

Vagnozzi Acciavatti, Caswell, Shaffer, Brandenburg, Amos, Booher, Caul, Hansen, Proos, Agema, Moss, and Nofs.

NAYS: None.

PASS: None.

Representative Alma Smith moved to amend the bill as follows:

1. Amend page 10, following line 21, by inserting:

“Sec. 310. Beginning with the fall semester 2008, a state university described in section 5 of article viii of the state constitution of 1963 shall have its appropriation reduced by 15 percent if the admission standards of that institution allow any individual who graduates from a public school district in this state with a grade point average in the top 10 percent of his or her high school graduating class to enroll as an undergraduate student in that institution and the institution fails to enroll that student should the student accept the invitation to enroll.”.

Representative Jackson supported the motion.

The motion did not prevail by a vote 13-15-2.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Cheeks, Espinoza, Gonzales, Hood, Jackson, Alma Smith, Spade Caswell and Nofs.

NAYS: Representatives Byrnes, Hammel, Lahti, LeBlanc, McDowell, Tobocman, Vagnozzi, Acciavatti, Shaffer, Amos, Booher, Hansen, Proos, Agema, and Moss.

PASS: Representatives Brandenburg and Caul.

Representative Byrnes moved to report with recommendation HB 4351 substitute (H-4) Draft 3 as amended, as substitute (H-1).

Representative Cheeks supported the motion.

The motion prevailed by a vote of 18-3-9.

FAVORABLE ROLL CALL:

YEAS: Representatives Cushingberry, Gillard, Bauer, Bennett, Byrnes, Cheeks, Espinoza, Gonzales, Hammel, Hood, Jackson, Lahti, LeBlanc, McDowell, Alma Smith, Tobocman, Vagnozzi, and Brandenburg.

NAYS: Representatives, Acciavatti, Caswell, and Booher.

PASS: Representatives Alma Smith, Shaffer, Amos, Caul, Hansen, Proos, Agema, Moss and Nofs.

Chairman Closing remarks for job well-done on the House first passed budget bills.

There being no further business before the committee and seeing no objection, Chairman Cushingberry adjourned the meeting, the time being 6:20 p.m.

Representative George Cushingberry, Jr. Chair_____

Darlene Moore, Committee Clerk, (517) 373-2994